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Working Draft for the Board

PROBABLE SOVIET REACTIONS TO DEVELOPMENTS IN EASTERN SUBJECT: GERMANY (Draft for Board Consideration

THE PROBLEM

To estimate probable short-term Soviet reactions, to

developments taking place in East Germany since early June 1953.

To assess the implications of such reactions to the US.

ESTIMATE

1. On 10 June the Soviet occupation authority of East

Germany, through the German Democratic Republic, announced a series of measures which in effect reversed the program of heavy industrialization adopted by the SED in July 1952 and represented the essence of a NEP Policy. righticestly modified, and in Stan cases actually

reversely this community position. These reforms were probably

recognition of popular dissatisfaction (ebviously under-

with the accelerated pace of Sovietiesties, and slatin they probably represented a major move in the Community political wanface although perhaps comewhat less important, as part of the Communist effort to influence, September elections in West Germany. In the

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Approved For Release 2000/08/29 : CIA-RDP79S01011A004000090038-9 Until the very outbreak of which soon followed, disorders the GDR and the Kremlin obviously had seriously underrated the extent of popular discontent in East Germany. For this lesson authorities probably decided against testing the reliability of German security forces and depended almost exclusively on the use of Soviet units despite inevitable unfavorable propaganda implications of such a course. moli now face the Communists. confused. tyruith a situation very different than that which they had led themselves to believe had existed. In estimati ough the situation in East Germany is still fluid we do not believe Frecant developments have changed the twin Soviet objectives of i(2) Secking 1 by political warfare to prevent or at least to retard the Approved For Release 2000/08/29 : CIA-RDP 29901011A001000090038-9

West German rearmament and the integration er (b) Maintaining effective control over secondary reports East Germany manage mave already official will not only proceed with the 10-11 ware referm proposed RESULTS DISCRESSES FRENCH OF DESCRIPTION OF SELECTION OF Soviet reaction to developments in East Ge could conceivably run the gamut from a Society withdrawal from East Germany rapid and severe satellization of this area. We believe that each of these extreme courses of action is unlikely. of overt Soviet Forus)

t withdrawal from East Germany would provide the USSR Sul P! with excellent propaganda opportunities and would probably induce

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many Western European countries to depreciate the Soviet threat with

a consequent weakening of NATO. On the other hand, recent developments

must have demonstrated to the Kremlin the weakness of the local.

Communist regime and must have raised serious doubts as to the relitability of East German security elements. The Kremlin must almost ability of East German security elements. The the Kremlin had entered a country vecognize that the withdrawal of the country soviet forces from East Germany at this time would seriously cam promise Soviet control Over this area. Therfore, regardless

of the long run advantages to the USSR that might accrue from a Soviet withdrawal, East Germany's importance to the USSR is too direct and too immediate for it to risk losing effective control over this area.

Luto

A harsh policy, such as a rapid satellization of East Germany,

might appeal to the Kremlin as a means of quickly and effectively reasserting its authority over its zone and of crushing dissidence once and for all. Moreover, such a move would serve to warn the people of the Eastern European satellites that the Communist hierarchy

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entirely inconsistent with the conciliatory line now affected by
the Kremlin throughout the world. Moreover, it would probably
increase West European determination to build up NATO and probably
even expedite the formation of EDC. It would almost certainly

adversely influence, from the Communist point of view, the September

this policy is enfiely inconsistent with the officially annuned velocities in West Germany. Finally, in the present climate of fast

Germany, such a policy could be implemented only at gunpoint and at

great economic and political sacrifices.

between these two extremes and will incorporate some elements of

each. We believe that the USSR will not risk effective control of

East Germany by failure to keep a substantial Soviet force in this

area or by failure to use this or any other instrument which may be

We believe that the USSR will not risk effective control of

East Germany by failure to keep a substantial Soviet force in this

area or by failure to use this or any other instrument which may be

We believe that the USSR will probably attempt to create a

facade of order and consent in East Germany,

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only when all other measures fail. Some steps has been about the control of

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for ext bearing and, moreover

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Approved For Release 2000/08/20 DP79501011A004009090038 Phrough a the Communists have indicated that The will probably appear on the to-11 Time vectorus. They will probably appears and the to-11 Time vectorus.	nd indeed
expand on the to-11 June 1 charms. They will proceed	1/50 WEED
Pappearance of a broader base to the East German government,	كنف
	7
possibly by restricting the role of the SED and by giving	
by resulteding the 1010 of the bill the state of garage	
greater apparent influence to other political parties in the Festiman	
greater apparent infinence so outer porrous paragraph	
The state of the s	41.4
In terms of over-211 Soviet policy, we believe	They
After an interval to permit a rehabilitated East German	
government to establish at least apparent stability, the USSR will	^ an a a a
diplomatic and proposanda efforts to woo the west	7
2 way from reamonant and integration with western Evide.	
US Charlstian Democrata in order to defeat this party is the presider	
The Communista	
ability to exert significant influence in 7	*
furtherning West General probability considerably	
elections is not (and probably the book on siderably	
but	
less than it was prior to 16 June, there are still some propaganda	
gambits the USSR an employ which could not only serve immediate	÷ -
Soviet purposes in Germany, but possibly advance Soviet aims in	
Soviet purposes in Germany, but possibly advance Soviet alms in	
Europe as a whole. Europe as a whole. The diplomatic levels and the USSR may the state of the second and the se	- May
Europe as a whole. Description, the USSR may Europe as a whole.	
to discuss the withdrawal of foreign forces from Germany and even the	
to discuss the withdrawal of foreign forces from dermany and even the	
holding of free elections. A suggestion to hold up to hold up	
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Union to reach any agreement with the Western Powers of the issues

implicit in the unification of Gameny. We continue to believe
of trop.

That any Soviet-initiated suggestions for troops withdrawaks or fike
West cermans would be because to the tentalising prospect or universion
elections would contain conditions which the Kunlin would intend

if the unacceptable to the west, or that the female would intend

to be unacceptable to the west, or that the female would intend

to prevent the implementation of agreements embodying there

proposals. **

If the West proposed a Four Power Conference on Germany

with the to be held this summer, the Communists would lose some

propaganda advantages from not having taken the initiative on this Depending on the extent of advance commitments (e.g. the grands) and matter. would probably accept such a proposal and even indicate their willingness to discuss the withdrawal of foreign troops and In this case, too, we possibly free elections_ be here calmost curtainly the Soviet Union would be unwilling actually implement the withdrawal of its forces or free All-German elections. Approved For Release 2000/08/29 : CIA-RDP79501011A00100090038-9